

HOUSE BILL NO. 686

INTRODUCED BY J. PARKER

A BILL FOR AN ACT ENTITLED: "AN ACT IMPOSING A TRANSACTION TAX ON THE RENTAL, LEASE, OR SALE OF VIDEO GAMES AND MOVIES TO FUND EXISTING AND ADDITIONAL AFTER-SCHOOL PROGRAMS THROUGHOUT THE STATE; PROVIDING FOR THE MONTANA BOARD OF CRIME CONTROL TO ADMINISTER THE FUNDS FOR THE AFTER-SCHOOL PROGRAMS THROUGH A GRANT PROCESS TO QUALIFIED AFTER-SCHOOL PROVIDERS; PROVIDING AN APPROPRIATION; AND PROVIDING A DELAYED EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. Section 1. Transaction tax on video game or movie rental for after-school programs. (1) Each seller, as defined in 15-68-101, of a video game or movie shall pay to the department a transaction tax of 25 cents for each video game or movie unit rented, leased, sold, or transferred by other arrangement for a charge.

(2) A seller shall collect the tax imposed by subsection (1) and report to the department at the end of each calendar quarter the gross receipts collected during that quarter attributable to video game or movie charges. The report is due within 30 days following the end of the calendar quarter and must be accompanied by a payment in an amount equal to the tax required to be collected under subsection (1).

(3) All receipts collected by the department under this section must be deposited in an account in the state special revenue fund to the credit of the board of crime control, provided for in 2-15-2006, for the purpose of funding grants to local communities to expand, support, and sustain after-school programs and a statewide after-school network as provided in [section 2].

(4) For the purposes of this section, "video game or movie" means any form of electronic or digital media, including digital video disc, digital versatile disc, or videocassette, that is commercially recorded for audio and video reproduction on a television, computer, stereo, or other entertainment system.

(5) For the purposes of general administration, enforcement of unlawful sales, collection and payment of taxes, collection of delinquent taxes, and audits, the provisions of chapter 68 apply.

1 **NEW SECTION.** **Section 2. Statewide after-school network.** (1) The board of crime control shall
2 administer the funds for the statewide after-school network. The board may use up to 5% of the appropriation
3 for administrative costs and shall allocate no less than 95% for after-school programs. The board shall provide
4 grants to school and community organizations. The funds must be used to increase availability, enhance quality,
5 sustain existing after-school programs, and provide for long-term sustainability of after-school programs
6 throughout the state.

7 (2) The board of crime control shall coordinate its grant program with any education, prevention, or
8 related program at the department of public health and human services, the office of the superintendent of public
9 instruction, the board of crime control, or other state agency providing related programs or grants. The board
10 may pursue expanded involvement and assistance from local governments, public agencies, federal programs,
11 foundations, corporations, business and industry, and other appropriate sources.

12 (3) As used in [section 1] and this section, the term "after-school" represents any hours for which
13 children are not in school, including before school, after school, Saturdays, holidays, and summertime.

14 (4) Authorized activities for after-school programs funded through [section 1] and this section include:

15 (a) remedial education activities and academic enrichment learning programs, including additional
16 assistance to students to allow the students to improve academic achievement;

17 (b) prevention programs, such as those for alcohol, drug, violence, dropout, and teen pregnancy,
18 counseling programs, and character education programs;

19 (c) youth development programs;

20 (d) mathematics and science education activities;

21 (e) arts and music education activities;

22 (f) entrepreneurial education, career education and exploration programs, and financial literacy
23 education;

24 (g) tutoring services, including those provided by senior citizen volunteers, and mentoring programs;

25 (h) programs that provide after-school activities for students with limited English proficiency and that
26 emphasize language skills and academic achievement;

27 (i) recreational activities;

28 (j) telecommunications and technology education programs;

29 (k) expanded library service hours;

30 (l) programs that promote parental involvement and family literacy; and

1 (m) programs that provide assistance to students who have been truant, suspended, or expelled, to
2 allow the students to improve their academic achievement.

3 (5) Funds may not be used for construction, land acquisition, proposal development or planning, or
4 supplanting existing federal, state, or local obligations.

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6 **NEW SECTION. Section 3. Appropriation.** There is appropriated \$9.4 million for each year of the
7 biennium from the account in the state special revenue fund created in [section 1] to the board of crime control
8 for the purpose of funding grants to local communities to expand, support, and sustain after-school programs
9 and for the statewide after-school network provided for in [section 2].

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11 **NEW SECTION. Section 4. Codification instruction.** (1) [Section 1] is intended to be codified as an
12 integral part of Title 15, and the provisions of Title 15 apply to [section 1].

13 (2) [Section 2] is intended to be codified as an integral part of Title 2, chapter 15, part 20, and the
14 provisions of Title 2, chapter 15, part 20, apply to [section 2].

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16 **NEW SECTION. Section 5. Effective date.** [This act] is effective January 1, 2006.

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